

3 April 1974

(Type on Agency letterhead)

DCI/IC 74-1339

MEMORANDUM FOR: Mr. Brandon Grove, Jr., Staff Director
NSC Under Secretaries Committee

SUBJECT: Control of US Government Presence
Abroad (OPRED)

REFERENCE: NSC-U/SM-119-J

Mr. Rush's letter of 27 March 1974 (reference) requests my comment on a draft memorandum to the President on the indefinite extension of the program to control US Government Presence Abroad (OPRED). Before we recommend extension of the OPRED mandate, we should review the present form and nature of the OPRED controls to be sure we do not perpetuate practices which have outlived their usefulness.

The reductions noted in your draft memorandum for the President cannot be challenged, but it is my impression that most of these reductions took place in the early months of the program. Comparisons between 1972 and 1973 would surely show a much more stable situation in most areas of the world. If that is the case, should we not ask ourselves whether we still need the elaborate control mechanism established to enforce the original injunction to reduce overseas staffs? Could we not consider a simpler, administratively less costly system of agency or departmental ceilings for directly hired Americans,

directly hired foreign nationals, and contractual employees, with an annual report to the committee on the number of persons on duty? Such a system would continue to impose on senior managers the responsibility for ensuring that established ceilings are not exceeded, and the changes in staffing levels at given posts would still require the approval of the Chiefs of Mission concerned. No effective loss of control over total numbers would be lost, but agencies and departments with overseas responsibilities would be freed of much burdensome record-keeping, and the tedious process of OPRED offsets (specific reductions at one post to offset specific increases at another) would be eliminated, again with great savings in paperwork within and between agencies.

I believe the time has come to return the basic responsibility for policing overseas presence to the agencies concerned, retaining only overall ceiling controls analogous to those imposed by the Office of Management and Budget for personnel levels of other kinds. Indeed, it may be worth considering whether the overseas presence ceiling is not simply a sub-set of OMB's ceilings, and as such should be administered by OMB.

As for the proposal that extension of the program be "indefinite," I strongly recommend that we select a more specific time frame for extension to ensure the benefits of periodic reviews such as the one in which we are now engaged.

Intelligence
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Remarks:			
<p>Following up on your conversation with Jack Iams, here is a copy of our draft reply to the letter from the NSC Under Secretaries Committee on extending the OPRED mandate. The draft is with for review and comment. If you have any suggestions, please call me.</p>			
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